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FOR IMMEDIATE RELEASE

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**DEFENDANT SENTENCED IN TRUCKING COMPANY BONDING SCAM**

SACRAMENTO---United States Attorney McGregor W. Scott announced today that LARRY JAMES JACKSON, 58, of Portland, Oregon, was sentenced today to federal prison on a mail fraud charge stemming from a nationwide interstate trucking company bonding scheme. United States District Judge Garland E. Burrell sentenced JACKSON to serve 70 months in federal prison and ordered him to pay restitution to 57 victims totaling \$236,347. JACKSON pleaded guilty on September 30, 2005, to the mail fraud charge.

The case is the product of an extensive multistate investigation headed by the U.S. Department of Transportation, Office of Inspector General.

According to Assistant United States Attorney Matthew Stegman, who prosecuted the case, JACKSON admitted he defrauded 57 trucking companies. JACKSON perpetrated the fraud using his company, Pacific Northwest Financial Services, Inc., out of Portland, Oregon, which he falsely held out as a financial institution. Trust fund accounts were to be set up for interstate motor carriers who were required to be bonded under U.S. Department of Transportation Federal Motor Carrier Safety Administration ("FMCSA") regulations, which require interstate trucking companies to maintain a \$10,000 surety bond, that was generally paid to JACKSON and held in trust by his company.

JACKSON never had the authority to act as a bonding company and collect trust fund monies. In addition, he embezzled the money for his own personal use. All of the interstate trucking companies who paid money to JACKSON had their authority to operate revoked by the FMCSA until they properly complied with the bonding requirements, generally by paying an additional \$10,000 to another bonding company.

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